

## MCW ENTERPRISES, LLC

40 WEST MAIN ST.

P.O. BOX 176

HANKSVILLE, UT 84734

Telephone 435-542-2101, 435-542-2107

Fax 435-542-2102

## FAX COVER SHEET

DATE 3-18-98TO: MR. Wayne HedburgFAX NUMBER: 801-359-3940FROM: Kim E. WilsonFAX NUMBER: 435-542-2101

New  
revised  
NOI

NUMBER OF PAGES INCLUDING COVER SHEET \_\_\_\_\_

## SUBJECT/MESSAGE

will permit Crescent Creek project.

MCW Enterprises LLC  
Crescent Creek Project  
Henry Mountains, Utah

PO Box 176  
Hanksville, Utah 84734  
Phone 1-435-542-2101  
Fax 1-435-542-2102

To: Mr. Wayne Hedburg  
Utah State Office  
Division of oil, gas & Mining  
Salt Lake City, Utah

From: Kim E. Wilson  
Mine Superintendent

Dear Mr. Hedburg,

I am very sorry for not following up with you on our intent to upgrade our notices to your office. My company wanted to wait for a large amount of tests to be completed at the placer level before we implemented any changes or big upgrades at the mine site. It is a good thing too that I did not start all of what they wanted me to back then. The tests were positive, but they wish to go one step at a time rather than many steps at the same time. I think they finally realize the costs involved with a big mine now. At any rate I would like to submit this one millsite for your approval at this time. It is basically the same system I had sent back in December. There are no other mills planned for the property at this time. I felt a simple start for them this season was best for all. We have joint ventured with Kaibab Ind. Inc. of the upper Bromide properties and plan to mill some of their ore for them, and that is why the crushers. They are going to help us with that venture and this mill. We have not built this mill yet as there has been some cold weather and snow has slowed us down. I would like to move crews and equipment into that area now. I have given all of this to the BLM in Hanksville and Buzz has sighed with relief. They all think big but when the budget comes out they change their mind fast don't they. Please let me know if you need any more info and I'll get it right to you. I am in this office daily now so just give a call. Thank you.

*K. E. Wilson*



MCW ENTERPRISES LLC  
CRESENT CREEK PROJECT  
40 WEST MAIN ST.  
HANKSVILLE, UTAH  
PHONE # 1-435-542-2101  
FEB. 2.1998

TO: D.WAYNE HEDBURG  
UTAH STATE OFFICE  
DIVISION OF OIL, GAS & MINING  
SALT LAKE CITY, UTAH

FROM: KIM E. BUB'S WILSON  
CRESENT CREEK PROJECT  
HENRY MOUNTAINS  
MINE SUPERINTENDENT

Dear Mr. Hedburg,

It was a pleasure to speak with you on Monday 2-2-98 concerning our gold mining project on the Henry Mountains south of Hanksville, Utah. This area for years has been depressed commercially with little opportunity for growth and employment full time. This is the reason we are excited about the new company that intends a larger scale gold operation in our area. MCW ENTERPRISES is a DIVISION OF SUMMIT FINANCIAL PLANNING OF GRAND INCT. COLORADO. The owners of this project are Mr. Wayne Ratner, Mr. Carlos Maestas, and Mr. Michael D. Terry. To bring you current on the events that have transpired to date, MCW has purchased the 2,800 ACRE PLACER GOLD MINING GROUP ON THE HENRY MOUNTAINS FROM GOLD TREK INC. This is BLM ADMINISTERED MINING CLAIMS PROPERTY. MCW has also acquired lease land upon several school trust sections which are adjacent to the placer. I have provided a full and complete map profile for our files in your office. These lands are located in section 32 T315 R10E, which we call the Middle State, and section 36 T315 R11E which we call our Lower State. These trust lands are leased acreages and not full section mineral rights and no mining is planned upon these lands. MCW has also acquired the mineral rights to section 36 T315 R10E and this mineral right is for the full 640 Acre Section and is also Administered by school trust lands of Utah State. We obtained this section from Arnold Brannon, and he has transferred all current permitting to MCW. I will include copies of all of these permits for your observation.

MCW has also been in contact with Kaibab Industries and has come to a contractual Joint Venture agreement. MCW will be mining and milling the upper hardrock ores in the Bromide Basin for Kaibab at a standard purchase price. Descisions in this area have not been fully explored but we may transport some tonnages of higher grade ores to our lower mill sites to insure year round milling of higher value ores as well as our standby placer ore suppliments. With the aquisition of the Kaibab owned Bromide Basin, MCW becomes the primary area mine operator and mill operator. Other area property owners in the Henry Mountains have already been active in permitting and are interested in our milling efforts. MCW holds all of the water rights in this eastern flank of the Henry Mountains Gold Trend, which becomes a major milling advantage for the area. This just completes the property situation on the Crescent Creek Project, and it should be apparent that MCW will be the prominent area mine operator for the entire region. By consolidating the whole our hopes are that permitting and safety compliances in the area may be of less demand on local, state, and federal agencies by having only to work with the one main operator.

Now we should look at the aquisitions of property that MCW has obtained in Hanksville



and near the Gold Project. First MCW has purchased a 3 acre parcel in Hanksville at 40 west Main street that includes a home that is now renovated into our main office. We have several phone numbers and fax numbers. Phone numbers include (435)542-2101, (435) 542-2106,(435)542-2102. Our office manager is Sarah Terry and she has employees on duty 7 days per week at this time in the office.

MCW has also purchased a 15 acre parcel in Hanksville that was formerly a business called Seafari Boat and Yacht Co. This facility was used as a Houseboat repair facility and has covered large metal buildings in which MCW intends to use as equipment repair shops and metal fabrication shops, where housing etc. This property also came with a security chain link fence system which will provide security for the property.

Finally, MCW has acquired a 640 acre parcel located 10 miles south of Hanksville on U-95. This parcel is section 36 T-295 R11E and was formerly a school trust section that was sold to Energy Fuels Corporation for thier uranium ore processing and custom buying station during the late uranium boom. This parcel has had a few private owners since the closing of the uranium mill, but no developments of that parcel have been completed. All uranium tailings have been removed from the site and the state of Utah has cleared the property of any enviromental impact that may have been there. There are also 2 water wells that exist on this parcel and they are at present functional. MCW intends to do all final refining of gold ores obtained from this Henry Mountains Region, at this mill facility on this isolated location to remove possibilities of conflict with in city or town operations. MCW will file all proper applications and permitting profiles with the Utah D.O.G.M. as we all intend it impliment a full smelting capability at this site. Assay laboratories will also be a necessity at this site for proper ore analysis on a daily basis. This will allieviate the out of state refinement of Henry Mountains ore of this type, and also terminate the need for long haul ore transports of concentrates to far off refineries out of our area.

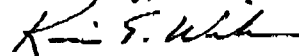
Only concentrates from the milling facilities at the mine will be shipped to the smelt system where free-milling precious metals and PGM group metals will be extracted. This will require on 2 over the road transport trucks, which will be a small impact on public highway systems and public off highway roads in the area. MCW has done a full costly ore analysis of this type of ore and has deemed a project of this caliber feasible. We have attached a 75 + year life to the project and would like to a very strong and viable producer of precious metals for years to come. Please contact me with any questions you might have about this layout at any time. My home phone number is (435) 542-3433.

→ At present out immediate need is the approval of the Upper May Day Mill at its BLM site

The May Day Mill equipment is now on site but it has not been installed fully at this time. We would like to finish construction on this mill and put it into production as soon as possible. This mill is a small 300 ton per day unit. About 30 tons per hour with a full crushing system. That flow sheet is what was sent to your office originally and will not change.

I hope I have properly provided the information you need to clear up any questions you may have about all of this. Please give me a call if I can be of any assistance to you and I hope you can make it down to visit the project. I can bring any permitting information to your office in Salt Lake City if that would be more convenient for you and your office. Thanks for all of your help and support.

Sincerely,

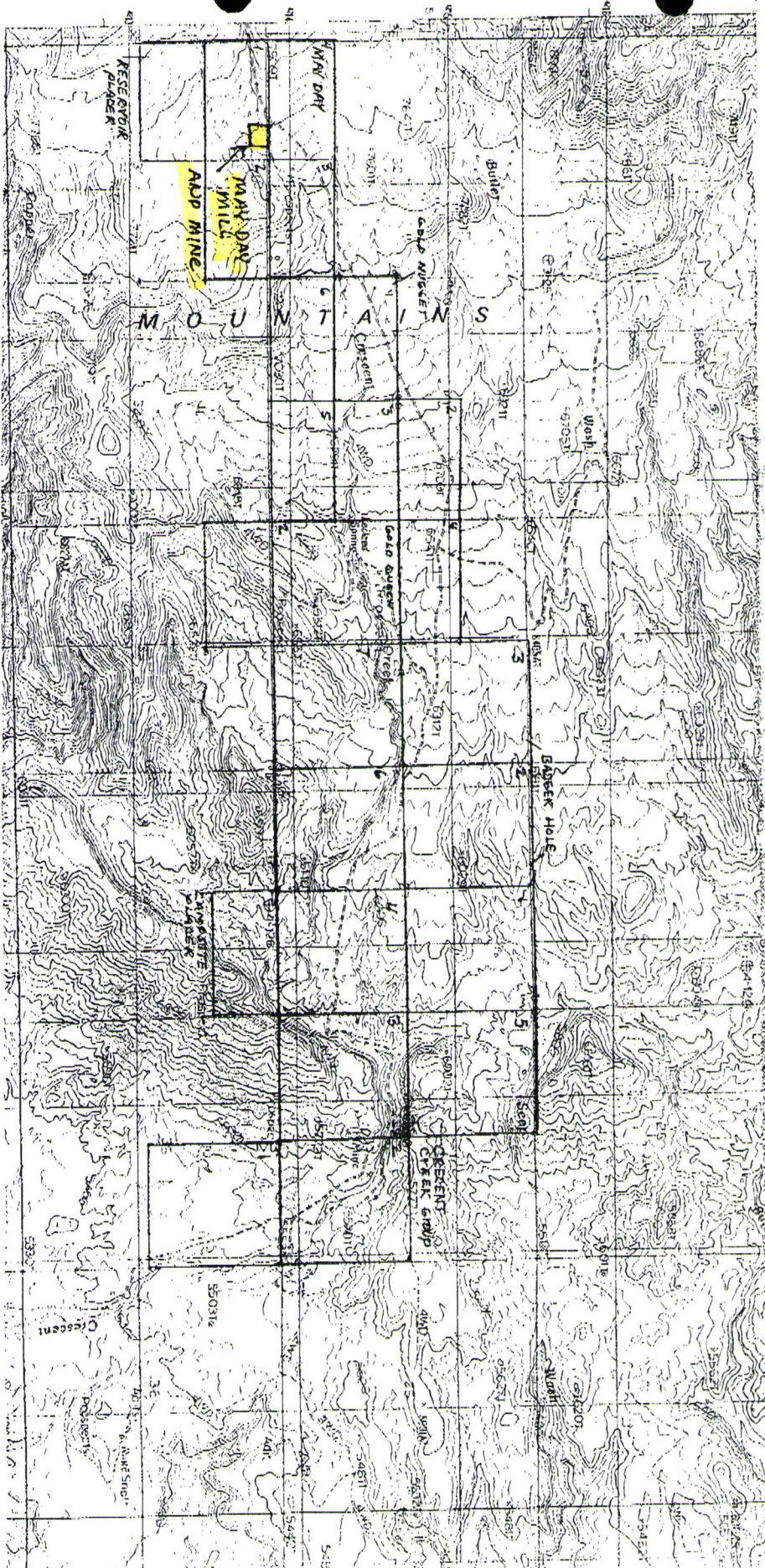


K.E. "Buffalo Bubs" Wilson



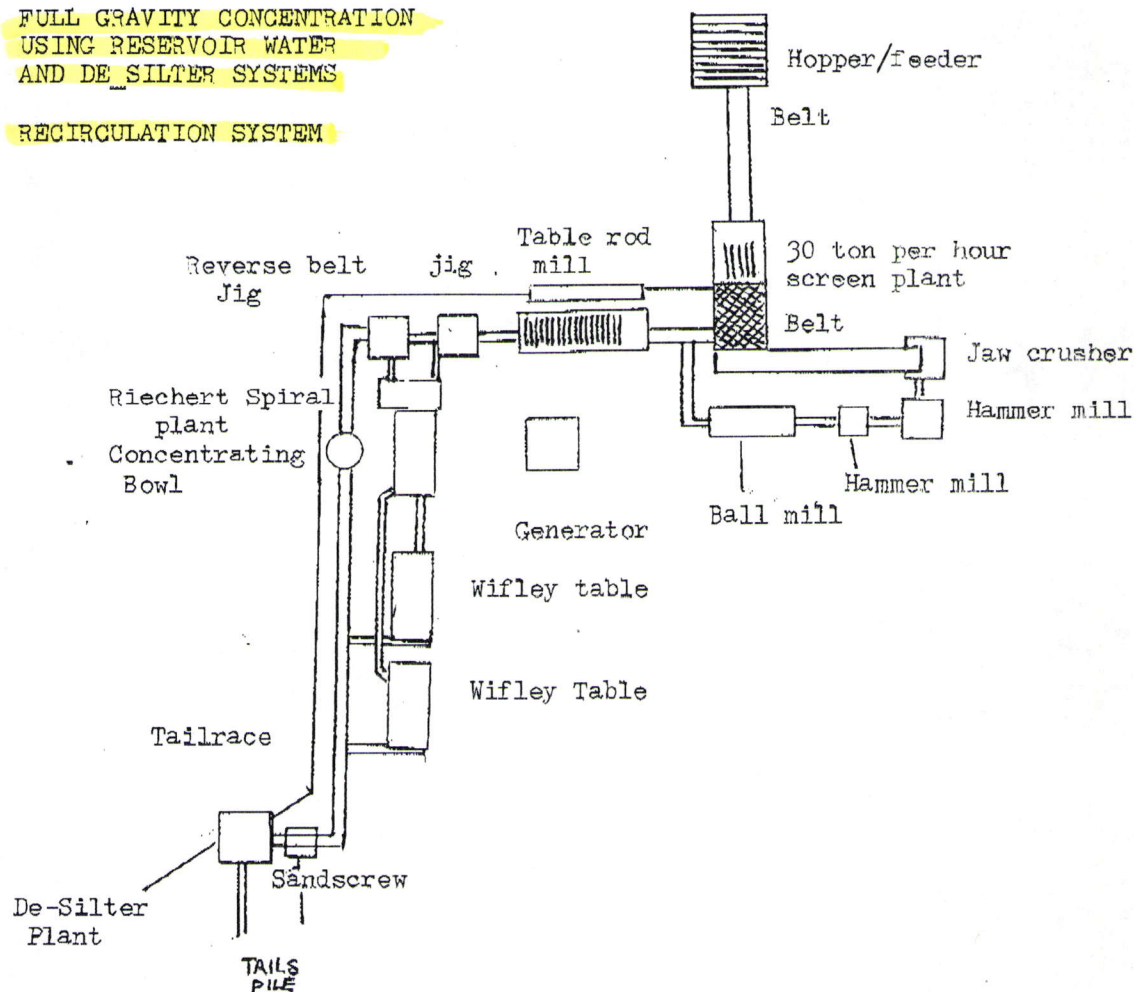
MCW ENTERPRISES LLC  
Crescent Creek project  
Henry Mountains, Utah

May Day mill and surface mine (small mines) under Sac. Disturbance.



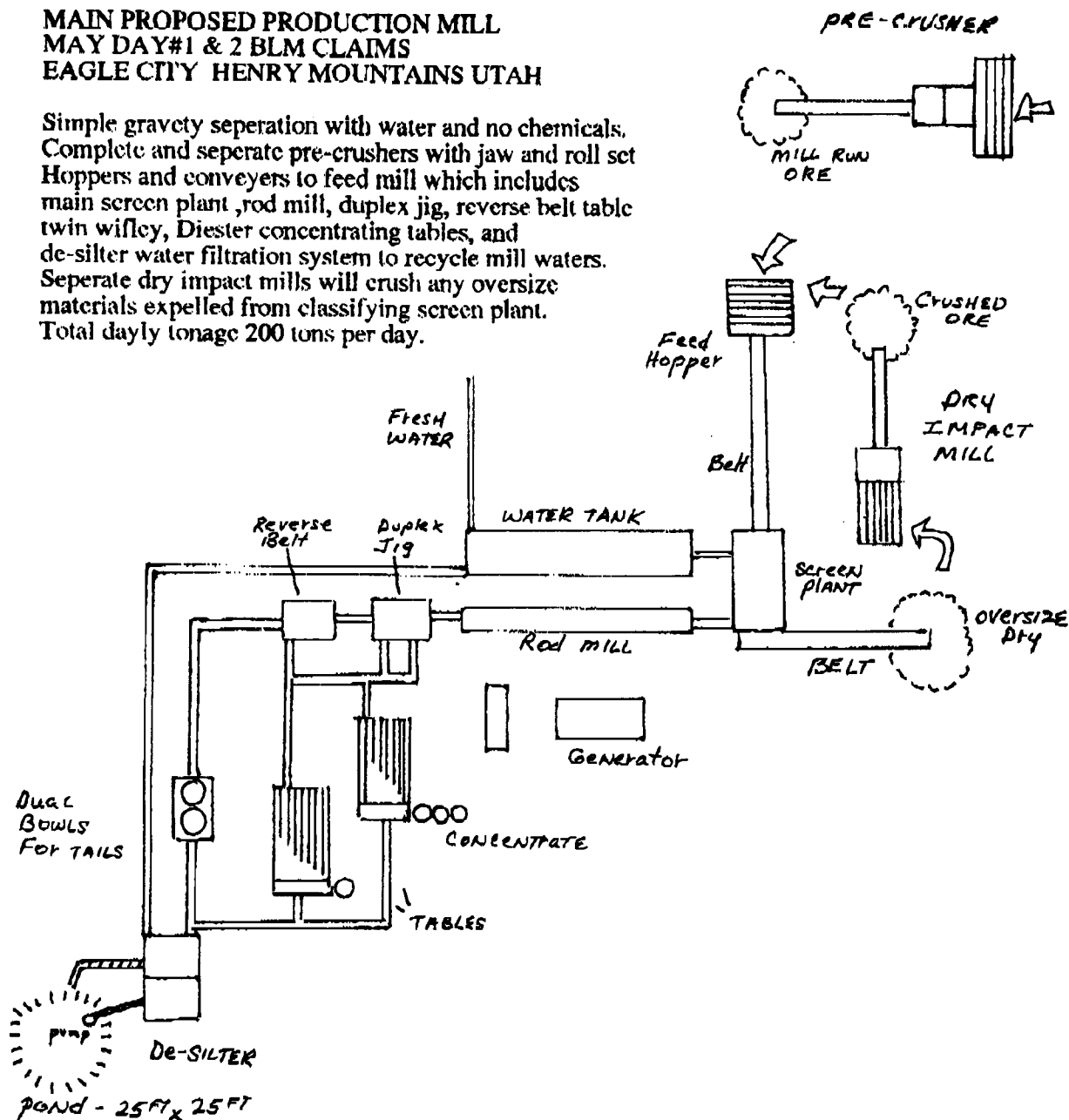


## RECIRCULATION SYSTEM



MCW ENTERPRISES LLC SIERRA MADRE MINING  
 MAIN PROPOSED PRODUCTION MILL  
 MAY DAY#1 & 2 BLM CLAIMS  
 EAGLE CITY HENRY MOUNTAINS UTAH

Simple gravity separation with water and no chemicals.  
 Complete and separate pre-crushers with jaw and roll set  
 Hoppers and conveyers to feed mill which includes  
 main screen plant, rod mill, duplex jig, reverse belt table  
 twin wifley, Diester concentrating tables, and  
 de-silter water filtration system to recycle mill waters.  
 Separate dry impact mills will crush any oversize  
 materials expelled from classifying screen plant.  
 Total daily tonnage 200 tons per day.





#4

Wayne/Mary Ann  
Post.

6. TITLE OF PROPOSED ACTION: SULA 1123

All areas of potential ground disturbance will have a cultural resource survey completed prior to issuance of any lease agreement.

GARFIELD COUNTY.

**A copy of this notice has been sent to the Garfield County Commission.**

- Ground disturbance during construction.
- Dust and noise emission during construction and operation of mill
- Increase in traffic on roads in the area.
- Revenue generation for school trust fund.

12.	FOR FURTHER INFORMATION, CONTACT: Louis Brown	x	13.	SIGNATURE AND TITLE OF AUTHORIZED OFFICER
		x		
		x		
		x		
		x		Realty Specialist
	PHONE: 896-6494	x		DATE: December 16, 1997

HA

